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Project Location

Six Gobi *aimags*- Govi-Altai, Bayanhongor, Uvurhangai, Umnugovi, Dundgovi and Govisumber

Project Goal

To develop and strengthen rural business in the Gobi region

Project Objectives

- An increase in the number of new and strengthened productive Gobi businesses
- An increase in availability, access to and use of business information by Gobi entrepreneurs

Funding Period

January 2004 - January 2008 (Phase II)

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Project Focus

- Supporting herder groups that are expanding and/or diversifying their business activities
- Supporting the development of herder cooperatives
- Supporting businesses that add value to herder products and link those products to markets
- Promoting rural business linkages to the financial services sector
- Improving the quality and accessibility of local business development and support services

Major Accomplishments for Year One of Phase Two

- Results during the first year support the project's premise that herder business diversification and expansion can work in Mongolia, as evidenced by the majority of project clients who successfully undertook business planning and achieved production and sales targets in 2004:
- Sales revenue of MNT 777 million (US\$ 650,000) was generated by 88 herder and non-herder businesses during 2004
- Herder interest in the project resulted in the number of project clients increasing from 73 groups at the beginning of 2004 to 150 by year-end, with most of the informal groups transitioning into legal cooperatives
- Autumn market events in the six Gobi *aimags* attracted 628 exhibitors and 38,000 visitors and generated MNT 124 million (US\$ 104,000) in sales
- Project clients accessed MNT 145 million (US\$ 121,000) in new commercial financing with MNT 103 million (US\$ 86,000) guaranteed under the complementary "Rural Agribusiness Support Program" funded by the US Department of Agriculture
- *Rural Business News (RBN)*, the project's primary business information dissemination product, began regular television programming, increasing the number of business readers, listeners and viewers to over 300,000.



Gobi Regional
Economic Growth Initiative

